INDUSTRY MARKET RESEARCH FOR BUSINESS LEADERS, STRATEGISTS, DECISION MAKERS

CLICK TO VIEW

Table of Contents **2**

List of Tables & Charts **3**

Study Overview **4**

Sample Text, Table & Chart **5**

Sample Profile, Table & Chart **6**

Order Form **7**

About Freedonia, Custom Research, Related Studies, Corporate Use License **8**

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Pallets

US Industry Study with Forecasts for **2012 & 2017**

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Table of Contents

EXECUTIVE SUMMARY

MARKET ENVIRONMENT

General 4
Macroeconomic Environment 5
Resident Population 9
Manufacturers' Shipments 12
  Durable Goods 15
  Nondurable Goods 16
Warehousing Expenditures 16
Construction Expenditures 19
Historical Overview 23
Environmental Issues 25
Other Regulatory Issues 27
Competitive Products 29
Pricing Trends 31
  Lumber 32
  Engineered Wood 33
  Plastic 34
  Metal 34
  Corrugated Paper 35
Foreign Trade 35
International Pallet Movement 37
World Market 38
  Western Europe 38
  Asia/Pacific 39
  Other Regions 41

MATERIALS

General 43
Relationship Between Stock & Demand 45
Pallet Lifespans 47
Wood 49
  Lumber 50
    New Pallets 52
    Refurbished Pallets 53
  Engineered Wood 55
    New Pallets 56
    Refurbished Pallets 57
Plastics 58
  HDPE 59
  Other Resins 60
Metal 62
  Steel 63
  Aluminum 64
Corrugated Paper 65
Fasteners 66

PRODUCTS

General 69
Pallet Overview 70
Pallet Stock 73
Wood Pallets 76
  Unit Terms 77
  Value Terms 78
  Lumber Pallets 81
    Characteristics 83
    Types 87
    Refurbished Pallets 89
  Engineered Wood Pallets 90
    Characteristics 92
    Types 93
    Refurbished Pallets 95
Corrugated Paper Pallets 96
  Unit Terms 96
  Value Terms 98
  Characteristics 99
Plastic Pallets 102
  Unit Terms 102
  Value Terms 104
  Characteristics 106
    Types 110
      HDPE 110
      Other Resins & HDPE/
        Other Resin Blends 112
Metal Pallets 114
  Unit Terms 114
  Value Terms 115
  Characteristics 116
Types 119
  Steel 119
  Aluminum 121

MARKETS

General 123
Manufacturing 125
  Food & Beverages 127
  Transportation Equipment 129
  Chemicals 131
  Metal Products 134
  Industrial Machinery 135
  Electrical Equipment & Appliances 137
  Other Manufacturing Markets 139
Warehousing & Storage 141
Construction 145
Other Markets 147

REGIONAL DEMAND

General 149
Regional Demographics
 & Economic Trends 150
  Population Patterns 150
  Economic Activity 152
  Regional Manufacturing & Warehousing
    Value Added Expenditures 154
Regional Demand for Pallets 159
Northeast 163
  New England 165
  Middle Atlantic 166
  Midwest 167
  East North Central 169
  West North Central 170
South 171
  South Atlantic 174
  East South Central 176
  West South Central 177
West 178
  Mountain 181
  Pacific 182

INDUSTRY STRUCTURE

Industry Composition 184
  Manufacturers & Refurbishers 185
  Pallet Management Specialists 187
Market Share 190
  Wood Pallets 191
  Other Pallets 191
  Pallet Management Service Providers 192
Competitive Strategies 193
Research & Development 196
Marketing 198
Distribution 199
Mergers & Acquisitions 201
Cooperative Agreements 203

(continued on next page)

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Table of Contents

(continued from previous page)

COMPANY PROFILES

Adrian Fabricators 206
Allied Pallet 206
Associated Pallet 207
Battle Lumber 208
Botkin Lumber 208
Brambles Limited 209
Corrugated Pallets 210
Decade Products 211
Edwards Wood Products 212
Fabri-Form Corporation 213
Great Northern 214
Greystone Logistics 215
IFCO Systems 216
Illinois Tool Works 217
Industrial Pallet 218
Kamps Incorporated 218
Litco International 219
Mauser-Werke GmbH 221
Menasha Corporation 222
Myers Industries 224
Pallet Systems Of America 225
PalletOne Incorporated 226
PDQ Plastics 227
Potomac Supply 228
Rehrig Pacific 228
Ross Skid Products 230
Rotonics Manufacturing 230
Schaefer (Fritz) GmbH 231
Schoeller Arca Systems 233
Shan Industries 234
Snyder Industries 235
Sonoma Pacific 236
Southern Packaging 236
Southwest Forest Products 237
St. Mary's Box Company 238
Tasler Incorporated 238
Wilbert Incorporated 239
Wisconsin Pallets 240
WNC Pallet & Forest Products 241

List of Tables/Charts

EXECUTIVE SUMMARY

1 Summary Table 3

MARKET ENVIRONMENT

1 Macroeconomic Indicators 9
2 Population & Households 12
3 Manufacturers' Shipments 15
4 Warehousing & Storage Expenditures. 19
5 Construction Expenditures 23
6 Pallet Market, 1997-2007 25
7 Pallet Pricing Trends 32
8 Foreign Trade in Pallets 36

MATERIALS

1 Raw Material Demand in Pallets 44
Cht Raw Material Demand in Pallets in Value Terms, 2007 45
Cht Lifespans of Pallets 49
2 Wood Demand in Pallets 50
3 Plastics Demand in Pallets 59
4 Metal Demand in Pallets 63
5 Corrugated Paper Demand in Pallets .. 66
6 Fastener Demand in Pallets 68

PRODUCTS

1 Pallet Supply & Demand 72
Cht Pallet Demand in Unit Terms, 2007 ... 73
2 Pallet Stock 75
Cht Pallet Stock, 2007 75
3 Wood Pallet Stock, Supply & Demand 78
4 Wood Pallet Demand by Value 81
5 Lumber Pallet Stock & Demand 83
6 Engineered Wood Pallet Stock & Demand 91
7 Corrugated Paper Pallets Stock, Supply & Demand 98
8 Corrugated Paper Pallet Demand by Value 99
9 Plastic Pallet Stock, Supply & Demand 104
10 Plastic Pallet Market Value 106
11 HDPE Plastic Pallet Demand 112
12 Other Plastic Pallet Demand 113
13 Metal Pallet Stock, Supply & Demand 115
14 Metal Pallet Market Demand by Value 116
15 Steel Pallet Demand 121
16 Aluminum Pallet Demand 122

MARKETS

1 Pallet Demand by Market 125
2 Manufacturing Demand for Pallets... 127
3 Food & Beverage Demand for Pallets 129
4 Transportation Equipment Demand for Pallets 131
5 Chemicals Demand for Pallets 133
6 Metal Products Demand for Pallets .. 135
7 Machinery Demand for Pallets 137
8 Electrical Equipment & Appliance Demand for Pallets 139
9 Other Manufacturing Markets Demand for Pallets 141
10 Warehousing & Storage Demand for Pallets 144
11 Construction Applications Demand for Pallets 146
12 Other Markets Demand for Pallets ... 148

REGIONAL DEMAND

1 Population by Region 152
2 Gross Domestic Product by Region .. 154
3 Regional Manufacturing & Warehousing Value Added 158
4 Pallet Demand by Region 162
5 Northeast Pallet Demand 164
6 Midwest Pallet Demand 169
7 South Pallet Demand 174
8 West Pallet Demand 181

INDUSTRY STRUCTURE

1 Pallet Production Revenues for Selected Companies, 2007 190
2 Selected Acquisitions & Divestitures 202
3 Selected Cooperative Agreements ... 204

Pallets

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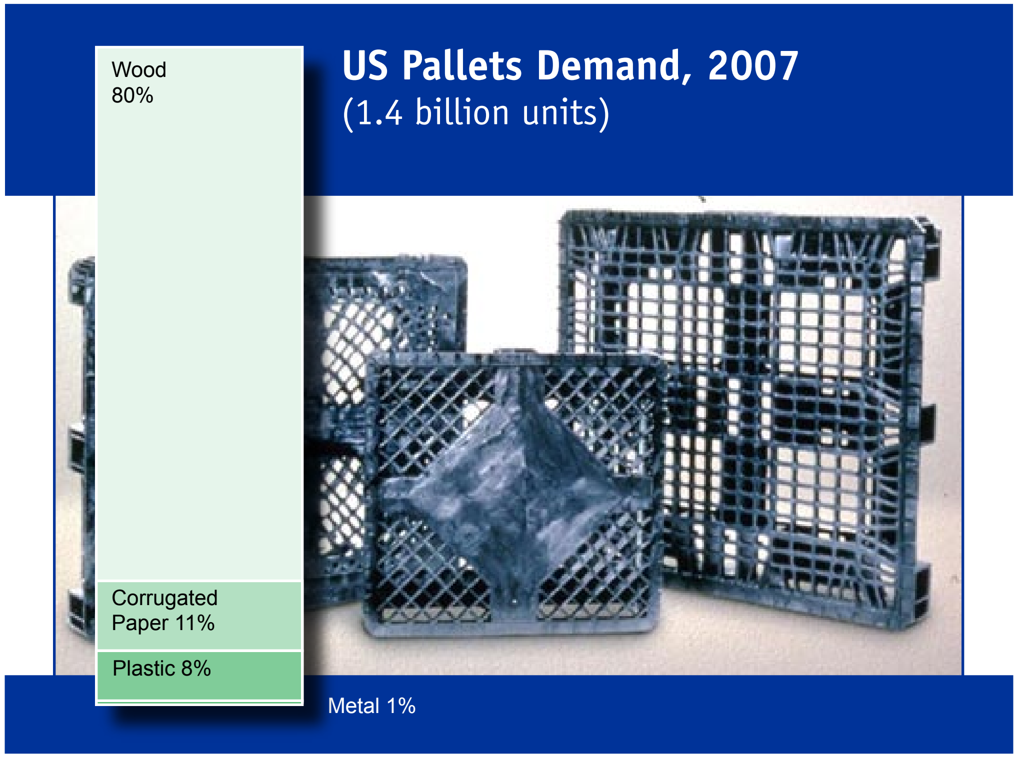
Plastic pallets are easy to clean, meet phytosanitary requirements, can last a long time without repairs, and can be easily recycled once they have reached the end of their product lifespan.

Plastic pallets to grow the fastest from a small base

US demand for pallets is forecast to advance more than one percent annually through 2012 to 1.5 billion pallets valued at $16.8 billion. Pallets made from wood -- primarily lumber -- will continue to account for the largest share of the US pallet market, while plastic pallets will experience the most rapid gains in demand. Demand for plastic pallets is projected to advance 2.4 percent per year to over 130 million pallets in 2012. Plastic pallets are easy to clean, and meet US and international phytosanitary requirements for shipping, making them ideal for product shippers with neither the time nor resources to continually sterilize pallets. Plastic pallets can last a long time without requiring time-consuming repairs, and can be easily recycled once they have reached the end of their product lifespan. This durability will restrain demand growth for plastic pallets, as will their high cost relative to lumber pallets.



Refurbishing services to limit wood pallet gains

Wood pallets are forecast to account for almost 80 percent of demand in 2012. Demand for wood pallets is projected to increase at a rate just below that of the market average, however. Demand increases will be restrained by the growth of pallet refurbishing services, which repair distressed pallets by removing damaged deckboards, blocks and stringers and replacing them with new components. These services prolong the lifespans of existing pallets, reducing demand for new pallets. Environmental concerns about the waste generated by damaged and discarded pallets will also drive continued use of pallet refurbishing, as users seek to reduce the environmental impact of pallet consumption by trying to reuse and refit pallets, rather than disposing of them at the earliest opportunity.

Manufacturers to remain largest market for pallets

Manufacturers will continue to account for the largest share of demand for new pallets, totaling 78 percent of the market in 2012. Providers of warehousing and other storage services will post two percent annual gains in pallet demand through 2012. These companies, which manage pallets and coordinate the shipping and handling of materials from original manufacturer to end user, will need new pallets to expand their operations and more effectively serve existing customers. These firms serve as third-party storage and shipping agents for manufactured goods; thus they rely on the prompt and efficient delivery of pallets to maximize their profits, and will need large stocks of them to meet demand for their services.

Pallets

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Sample Text, Table & Chart

TABLE VI-7

SOUTH PALLET DEMAND
(million units)

Item	1997	2002	2007	2012	2017
South GDP (bil 2000$)					
pallets/mil $ GDP					
South Pallet Demand					
South Atlantic					
East South Central					
West South Central					
% South Pallet Demand					

SAMPLE TABLE

PRODUCTS

Unit Terms

Demand for wood pallets in unit terms is forecast to a
percent per year … Gains will b
by continued rec… vided by wo
Wood pallets are … rom readily
materials. They … stomized to
performance and … pallets wit
loads, and are ge… caused by
moisture and wea… so come from increasing
demand for engineered wood pallets, albeit from a smaller base. These pallets, which are made from plywood and OSB, are more durable than lumber pallets, and can be more useful in shipping heavier items or loads that require stable bases to prevent shifting during transit.

SAMPLE TEXT

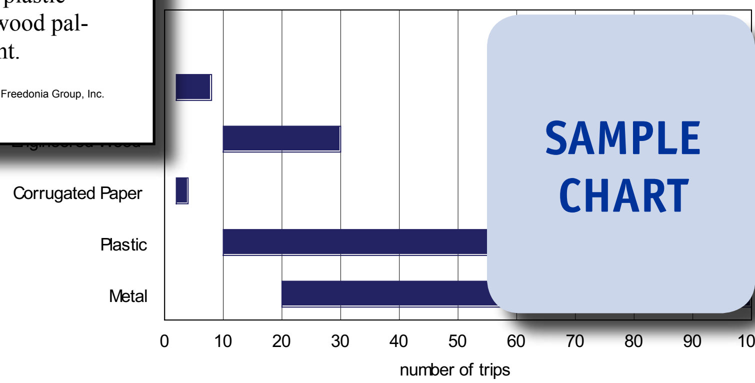
Demand for wood pallets will also be driven by pallet management service companies. These companies own thousands of pallets, and lease or rent them to customers for a fee, ensuring that end users have pallets at their desired locations at the proper time. Pallet management service providers are responsible for repairing and maintaining pallets. As the profitability of these firms depends on the number of pallets they can promptly supply to customers, many pallet management service providers have regular pallet maintenance and repair programs to maintain and increase their pallet stocks. Not only is it less expensive to maintain existing pallets than to buy new ones, but many of these firms have on-site repair areas that can quickly put pallets back into the shipping and receiving pool.

Further growth for wood pallets will be restrained by increasing growth in demand for plastic pallets. While those pallets are much more expensive initially than wood pallets, many end users feel that plastic pallets offer significant performance advantages compared to wood pallets over the long term, and are thus worth the initial investment.

77

CHART III-2

LIFESPANS OF PALLETS
(typical range of number of trips)



Pallets

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Sample Profile, Table & Chart

TABLE V-10

WAREHOUSING & STORAGE DEMAND FOR PALLETS
(million units)

Item	1997	2002	2007	2012	2017
Warehousing & Storage (bil 2000$)	2				.0
pallets/000$ warehousing & storage					.4
Warehousing Pallet Demand	1				.0
Wood	1				.6
Corrugated Paper	2				.7
Plastic					.2
Metal					.5
% warehousing					.5
Pallet Demand	13				35

SAMPLE TABLE

COMPANY PROFILES

Fabri-Form Corporation
200 South Friendship Drive
New Concord,
740-826-5000
http://www.fab

Annual Sales:
Employment:

Key Products:

SAMPLE PROFILE

Fabri-Form ... transport packaging and precision components. The Company is privately held.

The Company's thermoformed transport packaging products encompass plastic pallets used in material handling applications. Fabri-Form's plastic pallets are primarily sold under the SOLUTION brand name, including the EX, 4548SS, 2323SS, 4048TS and 4048SS series. SOLUTION EX pallets are designed to be strong enough for repeated use while being economical for one-way applications. These pallets are recyclable and have the capacity to hold loads of up to 2,000 pounds. The Company's SOLUTION 4548SS series, which is made from high density polyethylene (HDPE), is nestable and can double as a top cover. Flexible SOLUTION 2323SS series HDPE pallets are designed to nest easily for compact storage. Fabri-Form's SOLUTION 4048TS twin sheet pallets are intended for heavy-duty applications. These products are fused from two sheets of fused HDPE and feature non-slip top decks. The Company's SOLUTION 4048SS nestable pallets are formed from HDPE. In addition to these standard products, Fabri-Form manufactures transport packaging based on customer specifications, including pallets.

213

"Demand for pallets in transportation equipment manufacturing applications will advance 1.3 percent annually to 165.5 million pallets in 2012. This represents a modest acceleration in demand from the stagnant growth experienced between 1997 and 2007. Gains in demand for pallets will be driven by the motor vehicle market, especially the shipment of replacement parts for automobiles and light trucks. Concerns about the rising cost of fuel and increasing prices for staples will lead many US consumers to ..."

--Section V, pg. 129

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Other Studies

Produce Packaging

The study analyzes the US produce packaging industry. It presents historical demand data (1997, 2002 and 2007) and forecasts to 2012 and 2017 by packaging type (e.g., corrugated boxes, plastic and mesh bags and liners, clamshells, reusable plastic containers, trays wood crates), application (e.g., bulk, ready-to-eat, vegetables, fruit, salads), and end user (e.g., growers/shippers, repackers, retail stores). The study also considers market environment factors, evaluates company market share and profiles industry competitors.

#2388 .... 08/2008..................... $4600

Corrugated & Paperboard Boxes

US demand for boxes will reach $39.9 billion in 2012. Gains will be driven by the increased production of goods, a shift toward higher-value boxes and the continued popularity of Internet shopping. Corrugated and solid-fiber boxes will remain dominant and offer the best growth opportunities. This study analyzes the $35.3 billion US corrugated and paperboard box industry, with forecasts for 2012 and 2017 by material, product and market. It also evaluates company market share and profiles major players.

#2312 .... 02/2008..................... $4500

Stretch & Shrink Film

US stretch and shrink film demand will grow 4.7% annually through 2011, driven in part by retail trends favoring shrink-wrapped multipacks and pallet wrap. Stretch and shrink film will grow at a similar pace, with stretch film remaining the larger segment. The dominant resin, LDPE, offers the best growth opportunities. This study analyzes the $3.7 billion US stretch and shrink film industry, with forecasts for 2011 and 2016 by type, market and resin. It also evaluates market share and profiles major players.

#2254 .... 10/2007..................... $4400

Flexible Bulk Packaging

US demand for flexible bulk packaging will grow 3.4% yearly through 2011. Film wrap, plastic strapping and plastic shipping sacks will lead gains. Plastic such as polyethylene will remain the dominant material, with the limiting effect of downgauging softened by new applications and further inroads on paper sacks. This study analyzes the $6.1 billion US flexible bulk packaging industry, with forecasts for 2011 and 2016 by material, product and market. It also details market share and profiles major players.

#2238 .... 09/2007..................... $4500

Rigid Bulk Packaging

US demand for rigid bulk packaging will reach $6.6 billion in 2011, aided by growth in manufacturing and a shift toward larger, higher-value containers. Rigid intermediate bulk containers (RIBCs) will log the fastest gains, followed by material handling containers. Despite their maturity, drums will remain a mainstay in industry. This study analyzes the US rigid bulk packaging industry to 2011 and 2016 by material, product and market. It also evaluates company market share and profiles leading competitors.

#2188 .... 05/2007..................... $4500

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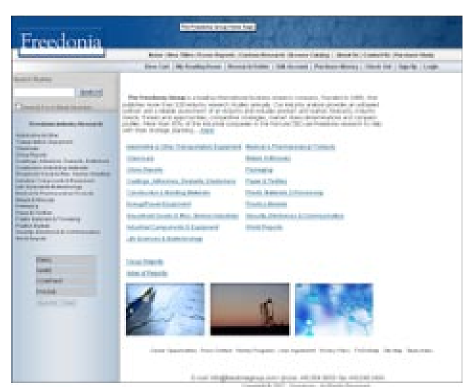

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